



MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

Official Minutes

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October 11, 2006

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**MINUTES OF REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN
CAPE GIRARDEAU, MISSOURI, ON WEDNESDAY, OCTOBER 11, 2006**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, October 11, 2006, at the Show Me Center, 1333 N. Sprigg Street, Cape Girardeau, Missouri. The meeting was called to order at 9:15 a.m. by Bill McKenna, Chairman. The following Commissioners were present: James B. Anderson, Duane S. Michie, Mike Kehoe, and David A. Gach. Having given prior notice, Vice-Chairman Marjorie B. Schramm was absent.

The meeting had been called pursuant to Section 226.120 of the 2000 Revised Statutes of Missouri, as amended. The Secretary verified that notice of the meeting was posted in keeping with Section 610.020 of the 2000 Revised Statutes of Missouri, as amended.

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Rich Tiemeyer, Chief Counsel for the Commission, and Mari Ann Winters, Secretary to the Commission, were present on Wednesday, October 11, 2006. Having given prior notice, Pete Rahn, Director of the Missouri Department of Transportation, was absent.

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*"Department" or "MoDOT" herein refers to Missouri Department of Transportation.
"Commission" or "MHTC" herein refers to Missouri Highways and Transportation Commission.*

-- CLOSED MEETING --

VOTE TO CLOSE MEETING

The agenda of the closed meeting was posted in keeping with Sections 610.020 and 610.022, RSMo., including the following statutory citations allowing the meeting to be closed:

1. Section 610.021(11), (12) – Specifications for competitive bidding, sealed bids, or negotiated contracts.
2. Section 610.021(1) – Legal actions and attorney-client privileged communications.
3. Section 610.021(3), (13) – Personnel administration regarding particular employees.

Immediately prior to closing its meeting at 8:00 a.m., and upon motion duly made and seconded to convene in closed session, the Chairman asked for a voice vote of the members.

The vote was as follows:

Commissioner McKenna, Aye
Commissioner Michie, Aye
Commissioner Anderson, Aye
Commissioner Kehoe, Aye
Commissioner Gach, Aye

whereupon the Commission closed its meeting. At approximately 9:00 a.m. the Commission adjourned its closed meeting and convened its open meeting.

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-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Michie, seconded by Commissioner Gach, the Commission unanimously approved the minutes of the regularly scheduled meeting held on September 13, 2006. The Chairman and Secretary to the Commission were authorized and directed to sign and certify said minutes and to file same in the office of the Secretary.

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CONSENT AGENDA

Consent Agenda Process

In order to make the most efficient use of Commission meeting time and to ensure the Commission members are well informed on issues requiring their action, the staff prepares and submits to the Commission members, in advance of their meeting, internal memoranda consisting of advice, opinions, and recommendations related to the items on the Commission meeting agenda. Those items considered by the staff to be of a routine or noncontroversial nature are placed on a consent agenda. During the meeting, items can be removed from the consent agenda at the request of any one Commission member. The items that are not removed from the consent agenda are approved with a single motion and unanimous vote by a quorum of the members.

Minutes reflecting approval of items on the consent agenda are singly reported herein and intermingled with minutes reflecting action on related subjects that were openly discussed. Reference to "consent agenda" is made in each minute approved via the process described in the paragraph above. Minutes reflecting action on items removed from the consent agenda and openly discussed reflect the open discussion and vote thereon.

Consideration of October 11, 2006, Consent Agenda

Upon motion by Commissioner Anderson, seconded by Commissioner Kehoe, all items on the consent agenda were unanimously approved.

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REPORTS OF COMMISSION COMMITTEES AND COMMISSION RELATED BOARDS

The Commission has two committees: Audit and Legislative. In addition, it elects Commission representatives to two boards: Missouri Transportation Finance Corporation Board

of Directors and MoDOT and Patrol Employees' Retirement System Board of Trustees. The following committee reports were made during the October 11, 2006, meeting.

Audit Committee – Commissioner Michie reported that the Audit Committee had met on October 10, 2006, with representatives of BKD, MoDOT's independent auditor, to discuss in detail the audit for Fiscal Year 2006. He stated that this is the seventh consecutive year that MoDOT has received an unqualified opinion on the financial statements from the independent auditor. He reported that the Audit Committee had also received an audit from MoDOT's internal auditing staff on contract administration at the Buffalo Project Office.

Legislative Committee – Chairman McKenna reported that statutes require MoDOT to provide an annual report to the Joint Committee on Transportation Oversight. He noted that the staff would provide an overview of that report later in the meeting.

Missouri Transportation Finance Corporation – Commissioner Michie reported that the Missouri Transportation Finance Corporation Board of Directors had met on September 28, 2006. At that meeting the Board of Directors approved a \$556,800 loan to the City of Platte City to finance the local portion of a cost-share project to improve the Route 92 and Marshall/Hampton Roads intersection and a \$43 million loan to the U.S. Highway 36-Interstate 72 Corridor Transportation Development District and the Missouri Highways and Transportation Commission to construct two additional lanes on Route 36. He also reported that the Corporation's independent auditor found no exceptions in the financial statements. Commissioner Michie emphasized that state infrastructure bank funds are available to local entities desiring to accelerate transportation projects.

MoDOT and Patrol Employees Retirement System – Commissioner Michie reported that a meeting of the Board of Trustees for the MoDOT and Patrol Employees Retirement System was held on September 28, 2006, and provided the following summary of business conducted at that meeting. The retirement system fund earned a 15 percent investment return during the past year, which compared very favorably to the earnings of 42 other similar funds. Colonel Roger Stottlemeyer resigned from the Patrol to pursue other interests and, thereby, vacated both the Chairmanship and his seat on the Board of Trustees. As a result Commissioner Michie was elected Chairman of the Board of Trustees and Commissioner Kehoe was elected Vice Chairman. In keeping with the statutes, an annual election for Chairman and Vice Chairman will be held in January 2007. By virtue of his appointment as Superintendent of the State Highway Patrol, James Keathley replaced Colonel Stottlemeyer as a member of the Board of Trustees. Sue Cox was elected by MoDOT employees to serve on the Board, replacing Harold Reeder; Lt. Juan Villanueva was re-elected by State Highway Patrol employees; and Bob Sfreddo was elected by MoDOT and Patrol retirees, replacing William Shaw. Mr. Shaw was recognized for his long and distinguished service as a member of the Board of Trustees.

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RECOGNITION OF SOUTHEAST MISSOURI STATE UNIVERSITY ALUMNI SERVING ON MHTC

Mr. Wayne Smith, Vice President for University Advancement, Southeast Missouri State University, noted that both Chairman Bill McKenna and Vice Chairman Marjorie Schramm were graduates of Southeast Missouri State University. On behalf of the Southeast Missouri State University Foundation and Alumni Association, he presented a certificate of accomplishment to Chairman McKenna and will forward a like commendation to Commissioner Schramm who was absent.

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PUBLIC PRESENTATION – REQUEST FOR ENHANCED DESIGN FOR INTERCHANGE LINKING JACKSON AND CAPE GIRARDEAU, I-55, CAPE GIRARDEAU COUNTY

Mr. Wayne Smith, Vice President for University Advancement, Southeast Missouri State University, referred to the proposed interchange on I-55, Cape Girardeau County, that would link the cities of Jackson and Cape Girardeau. He said the two cities, Cape Girardeau County, Southeast Missouri State University, and other private partners are in agreement on the preferred design for the interchange. The design would provide greater economic opportunities and be more aesthetically pleasing than MoDOT's standard interchange design.

Mr. Smith said the university believes that the interchange project will provide the following benefits: (1) an economic development advantage for the entire southeast Missouri region; (2) transportation access between the cities of Cape Girardeau and Jackson and throughout the county; (3) strategic use of university assets; and (4) facilitate development of housing for people between the ages of 55 and 70.

Mr. Smith explained that the interchange would allow a 400-acre farm owned by the university to be redeveloped to provide greater benefit to the students and the community. He said the development would include a 50-acre Technology Research Park for life sciences and research and provide the opportunity for practical experience to accompany the university's educational curriculum.

Mr. Smith told the Commission that a number of experienced developers have expressed interest in the development project associated with the interchange improvement. A developer will be selected through the Request for Proposal process.

Chairman McKenna thanked Mr. Smith for his presentation.

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PUBLIC PRESENTATION – REQUEST FOR EAST/WEST ROADWAY AND RIVER CROSSING CONNECTING MISSOURI AND KENTUCKY, MISSISSIPPI COUNTY

Mayor Mike Marshall, City of Sikeston, asked the Commission to consider construction of a new bridge at Wickliffe, Kentucky, and an extension of I-57 into Missouri. He pointed out that I-55, I-57, and Route 60 traverse the Sikeston area. He noted that while southern Missouri, which is located at the center of the nation, has a geographic advantage as a crossroad for transporting freight, transportation infrastructure must be in place to create a viable regional and national corridor for commerce.

Mayor Marshall reported that currently motorists have to cross two narrow major bridges, which were built in the 1920s, in order to travel from Sikeston to Paducah, Kentucky. He advised the Commission that a study is currently under way that will determine the need for the new bridge and the benefits that would be derived therefrom.

Mr. Smith said a new bridge would have tremendous economic impact on the southern region of Missouri. He stated that while he was unsure of the details, he was aware of proposals for a Continental Highway (Interstate Route 66) that would extend across Kentucky and dead-end at Wickliffe, Kentucky. He said a new bridge would allow Continental Highway to tie into I-57 and Route 60.

Mayor Marshall reported that all the communities from Missouri's southeastern border to Springfield were united in their desire for a new bridge to be constructed at Wickliffe, Kentucky; he asked the Commission to consider this improvement in its future plans.

Commissioner Michie noted that \$20 million in federal funds had been earmarked in the most recent federal transportation reauthorization bill for transportation studies in the Mississippi Delta area. He encouraged Mayor Marshall to participate in the Delta Regional Authority meetings as it seeks to identify transportation solutions. Commissioner Michie suggested that consideration be given to various modes of transportation, in addition to highways.

Commissioner Michie also emphasized that the potential for major earthquakes in southern Missouri merits the attention of MoDOT and the Delta Regional Authority as they consider the impact on transportation that will result from this type of natural disaster.

Chairman McKenna thanked Mayor Marshall for his presentation.

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POLICY - DELEGATION OF AUTHORITY FOR APPROVAL AND EXECUTION OF DOCUMENTS

Via approval of the consent agenda, the Commission unanimously approved amendments to its September 13, 2006, Delegation of Authority for Approval and Execution of Documents Policy by replacing paragraphs A6, A7, and A8 with the following:

A. General Provisions

6. **Approval as to form/Attestation/Seal/Facsimile Signature:** All documents executed on behalf of the Commission and referenced herein shall be approved as to form by the Chief Counsel or an authorized Assistant Counsel, executed by an authorized Commission representative, and attested to by the Secretary who shall affix the official seal of the Missouri Highways and Transportation Commission; however, (1) documents that are on the Chief Counsel's Office's approved list of contract forms as filed with the Secretary, provided there are no deviations from the form, and (2) short-term, vendor-generated leases for individually identified pieces of equipment and vehicles may be executed by the authorized Commission representative without approval as to form, attestation, or affixing the seal. The Secretary is authorized to place a facsimile signature on all copies of documents when the original bears the signature of the person authorized to execute the document.
7. **State Agencies and Offices:** Notwithstanding any other provision of this policy, all agreements with other state agencies and offices involving payment from the State Road Fund, or forbearance of payment to the State Road Fund, in the amount of \$100,000 or less per fiscal year may be executed by any one of the staff noted in paragraph A3.
8. **Effective Date:** The delegation of authority and authorization herein supersedes any prior policy related to delegating authority for approval and execution of documents and is effective October 11, 2006.

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**2007-2011 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM
AMENDMENTS**

On behalf of the Director, Dave Nichols, Director of Program Delivery, recommended that five right-of-way and construction projects, totaling \$9,024,000 be added to the Highway and Bridge Construction Schedule of the 2007-2011 Statewide Transportation Improvement Program (STIP) and one project, totaling \$1 million, be added to the Multimodal Operations sections of the 2007-2011 STIP, as noted in the tabulations below.

Highway and Bridge Construction Schedule

County	Route	Job No.	Description of Location/Improvement
Clay	169	J4P1918	Bridge rehabilitation from Missouri River to I-29. This project to be let in combination with 4P1393 and 4S1727. \$3,396,000
Benton	Park Road	J5L07TRU	Resurface park roads and parking lots at Harry S. Truman State Park. Department of Natural Resources is contributing \$10,000; TEA-21 earmark is \$40,000. \$50,000
Various	Various	J6P2062	Study for signal optimization on various routes by consultant contracts. East-West Gateway is contributing \$418,000 in CMAQ funds. \$523,000
Greene	H	J8S0724	Right of way for interchange improvements on Glenstone from Valley Water Mill to I-44 in Springfield. Funding provided by Cost-Share Program, Springfield STP-Urban, and local funds. \$1,555,000
Greene	Bus. 65	J8P0789	Add turning lanes at intersection of Glenstone and Primrose Street in Springfield. Funding provided by Cost Share Program, Springfield STP-Urban, and local funds. \$3,500,000

Multimodal Operations

County	Location	District	Description of Location/Improvement
Jasper	Joplin	7	Apron and taxi lane improvements on Joplin Regional Airport. \$1,000,000

Via approval of the consent agenda, the Commission, by unanimous vote of all members present, approved the recommended additions to the 2007-2011 STIP.

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CONSIDERATION OF BIDS ON FEDERAL-AID AND STATE PROJECTS

On behalf of the Director, Dave Nichols, Director of Program Delivery, presented the following recommendation pertaining to bids received by MoDOT on September 29, 2006.

Award of Contracts September 29, 2006, Bid Opening

Mr. Nichols stated that bids for road and bridge improvement projects had been received on September 29, 2006, and he recommended awards be made to the lowest responsive and responsible bidders noted in Table I below. Mr. Nichols clarified that Cotner Electric Company was low bidder on Call Nos. X02 and X03, thereby exceeding the specified maximum monetary amount of work that the company would accept; therefore, in the best interest of the state and the Commission, he recommended award of Call No. X02 to the second low bidder, K and K Electric Company, and award of X03 to Cotner Electric Company. Mr. Nichols further recommended that the bid of Diamond Surface, Inc., on Call 701 be declared non-responsive because the company failed to include the bid sheets in its bid package.

Table I
Award of Contracts
September 29, 2006, Bid Opening

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
401*	435/470/71	Jackson	J4I0766N	\$32,958,316.58	\$584.00	Clarkson Construction Company	Grading, Bridge (Concrete I-Girder), & Paving with Superpave & PCCP
	Long-view Road		J4I0766Q		\$0		Widen and Resurface with BP-1 and Construct Round-A-Bout
	470/435/71		J4I1571B		\$257,500.00		Installation of ITS
	470		J4I1714		\$0		Bridge Rehabilitation
	71		J4P1577		\$328.00		Coldmill, Bridge Repair & Resurfacing with Superpave
402	71 Outer Road	Jackson	J4M0171	\$63,451.05	\$0	VF Anderson Builders, LLC	Replace Failed Wing Wall
601	61/67	Jefferson	J6S1921	\$215,768.00	\$0	Gerstner Electric, Inc.	Reconstruct Signal and Lighting Facilities
602	C, Z	St. Charles	J6S1731	\$1,067,330.05	\$1,312.00	Progressive Contractors Incorporated	Bridge – Rehabilitation in two Disconnected Sections

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
603	BL44	Franklin/ St. Louis	J6S1603	\$2,916,517.47	\$144.00	N. B. West Contracting Company	Pavement Repair and Resurfacing with Superpave
604	367	St. Louis	J6U1085	\$15,598,220.00	\$1,224,472.76	Gershenson Construction Co., Inc.	Alternate Bid Pavement, Grading, Drainage and Bridges – Concrete Girder
701	171	Jasper	J7P0801D	\$1,078,376.04	\$656.00	Penhall Company	Diamond Grinding and Fog Sealing Shoulders
	96	Jasper	J7P0801F		\$656.00		
	66	Jasper	J7S0779G		\$656.00		
	Bus 71	Vernon	J7S0779K		\$656.00		
702	37	Barry	J7P0801J	\$1,820,540.89	\$656.00	Lake Asphalt Paving & Construction, LLC	Resurfacing with Superpave and Widen Shoulders
703	54	Cedar/ Vernon	J7P0801H	\$4,317,316.30	\$656.00	Leo Journagan Construction Co., Inc.	Coldmilling and Resurfacing with Superpave and Widen Shoulders
	52	Bates	J7P0801I		\$656.00		Resurfacing with Superpave and Widen Shoulders
	Bus 71	Bates	J7S0779I		\$656.00		Resurfacing with Superpave and Widen Shoulders
	Bus 71	Vernon	J7S0779J		\$656.00		Coldmilling and Resurfacing with Superpave
704	71B	Jasper	J7S0709	\$5,972,021.17	\$656.00	APAC-Missouri, Inc.	Widen, Resurface, Medians, Drainage, Signals
	71B	Jasper	J7S0729		\$656.00		Grading, Drainage, Paving Sidewalks
	FF	Jasper/ Newton	J7S0779B		\$656.00		Coldmilling & Resurfacing Existing Pavement
	TT	Jasper	J7S0779E		\$656.00		Coldmilling & Resurfacing Existing Pavement
901	21	Washington	J9P0530	\$2,185,000.00	\$144.00	N. B. West Contracting Company	Grading, Resurfacing w/Bituminous Pavement and Optional Shoulders and Widening
X01	67	Wayne	J0P0931C	\$197,757.00	\$0	MKG Construction, Inc.	Demolition for Removal of Structures
X02	55	Cape Girardeau/ Perry/ Ste. Genevieve	J0I0953	\$777,510.00	\$7,644.00	K and K Electric Company	Highway Lighting at 7 Disconnected Sections
X03	55	New Madrid/ Scott	J0I0950	\$632,459.00	\$288.00	Cotner Electric Co.	Highway Lighting at 5 Disconnected Sections
X04	67	Butler/ Wayne	J0P0930D	\$691,616.00	\$0	Robertson, Incorporated Bridge & Grading Division	Clearing and Grubbing, Demolition of Structures and Asbestos Removal
				\$70,492,199.55	\$1,500,944.76		

*Funding by City of Kansas City \$2,840,066.55.

Commission Consideration and Action

After consideration and upon motion by Commissioner Michie, seconded by Commissioner Gach, the Commission took the following actions:

1. Declared the bid of Diamond Surface, Inc., on Call No. 701 to be non-responsive.
2. Awarded contracts to the lowest responsive and responsible bidders for bids received on September 29, 2006, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.

In keeping with the Commission's Delegation of Authority to Execute Documents, the Director, Chief Engineer, Chief Financial Officer, or the Director of Program Delivery may execute the contracts awarded above.

Mr. Nichols noted that the awards above included the final projects on three major corridors: Route 367 in north St. Louis, Routes I-435/I-470/71, Jackson County, and 71 Business (Range Line Road) Joplin, Jasper County.

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ROADWAY DESIGN APPROVAL

On behalf of the Director, Beth Wright, District 4 Engineer, informed the Commission that preliminary plans and exhibits for the following projects were advertised for and/or presented at a public hearing, and recommended approval of the design of the project as presented at the public hearing.

Route 7, Jackson County

Job No. J4S1752

Hearing Held January 27, 2003, and August 17, 2006

This proposed improvement provides additional turn lanes, widening, and permanent signalization at the Route 7/Colbern Road intersection. This project will have normal access right-of-way. Traffic will be maintained on existing Route 7 and Colbern Road during construction. This project is 0.5 mile in length.

After full consideration of the favorable and adverse economic, social, and environmental effects of the recommended design, the Commission, via approval of the Consent Agenda, unanimously found and determined the recommended design would best serve the interest of the public and approved the recommendation.

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RATIFICATION AND APPROVAL OF RIGHT OF WAY PLANS FOR CONDEMNATION

On behalf of the Director, Dave Nichols, Director of Program Delivery, recommended the Commission ratify the Chief Engineer's approval of the following right of way plans, which have been filed for condemnation.

<u>County</u>	<u>Route</u>	<u>Job Number</u>	<u>Date Commission Approved Design</u>
St. Louis	I-64	J6I0978	October 14, 2005 (3 rd Amended)

In accordance with Section 227.050 RSMo 2000, as amended, the Commission, via approval of the Consent Agenda, approved the right-of-way plans for the above-noted project and directed they be filed as necessary for the condemnation of right-of-way.

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MoDOT FISCAL YEAR 2006 AUDITED FINANCIAL STATEMENTS

Deborah A. McCoy, Partner, BKD, independent auditing firm, presented a report on the Fiscal Year 2006 audit of MoDOT's financial statements. Ms. McCoy commended the MoDOT staff for format and language changes in the financial statements, making them more eye-pleasing and easily understood.

Ms. McCoy reported that BKD had issued an unqualified opinion on the Fiscal Year 2006 financial statements. She commended the MoDOT staff for their proactive efforts to comply with the special rules involved in preparing governmental accounting statements in accordance with the Generally Accepted Accounting Principles.

Ms. McCoy pointed out that the State Road Bond Fund had been established in compliance with Constitutional Amendment 3, which was approved by voters in 2004. She noted that specified funds are deposited into that reserve fund for the purpose of repaying bond indebtedness, which was created to accelerate highway improvement projects.

During the discussions, Commissioner Anderson noted that depreciation of MoDOT's capital assets, which includes Missouri's highways and bridges, is approaching \$1 billion per year. He alerted the Commission that both the public and private sectors are being required to identify the legacy cost of retiree medical plans on their future financial statements; he anticipated that this cost would be substantial.

Commissioner Anderson complimented Ms. McCoy and Justin Roberts, BKD's lead auditor for MoDOT, on their professionalism in conducting the audit, and thanked them for their report.

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2006 REPORT TO JOINT COMMITTEE ON TRANSPORTATION OVERSIGHT

On behalf of the Director, Roberta Broeker, Chief Financial Officer, and Kevin Keith, Chief Engineer, summarized the statutorily required 2006 Report to the Joint Committee on Transportation Oversight. They noted that in addition to the required audit report and other specific data, the staff had highlighted significant events that occurred during the past year.

These events included a successful \$800 million bond sale, a Standard and Poor's upgrade of outstanding debt; lower than anticipated construction prices given construction pricing pressures; upgraded computer systems for use by the motor carrier industry; focus on the environment through testing of hybrid trucks; practical design for highway improvements; and continued use of performance measurements.

Mr. Keith reported that MoDOT has experienced the largest construction year in its history with \$1.6 billion of roadwork under contract in 2006. He noted that the MoDOT staff had focused its efforts during the past year on the Smooth Roads Initiative, which was created to place 2,200 miles of major roads in good condition in a three-year time period. Mr. Keith anticipated that the work would be completed by the end of 2006, which is one year earlier than scheduled. He credited the contractors, material suppliers, others in the construction industry, and MoDOT employees with this success.

Mr. Keith also reported that Constitutional Amendment 3, approved by voters in 2004, had also allowed MoDOT to add \$2 billion to its highway and bridge program. He reported that 15 of 38 major corridors have been placed under contract.

Mr. Keith stated that MoDOT staff is continuing its efforts on three design/build projects: 12-mile improvement of I-64 in the St. Louis area, four-mile improvement of I-29/I-35, including the Paseo Bridge, in the Kansas City area; and a single package to improve 800 of Missouri's structurally obsolete bridges.

Mr. Keith reported that to date in 2006, Missouri had experienced 150 fewer traffic fatalities than in 2005. He commended the Missouri Coalition for Highway Safety for its efforts to reduce traffic fatalities. He noted that safety enhancements on Missouri's roadways included additional guard cable placed in the medians of Interstate highways; reference markers to allow

faster response to emergencies; and wider, brighter highway striping. In addition, Mr. Keith commended the members of the legislature for enacting laws in an effort to improve the safety of work zones and young children traveling in motor vehicles. He noted that MoDOT staff continues to work with the Missouri Coalition for Highway Safety to identify strategies leading to enactment of primary safety belt legislation in 2007.

Mr. Keith reported that the MoDOT staff had continued its Missouri Advance Planning efforts, which involves working with local planning groups to identify a vision for transportation over a 15- to 20-year period. MoDOT also continues to benefit from private sector expertise through its Partners in Efficiency Program.

Mr. Keith pointed out that Constitutional Amendment 3 provided a means for additional funds to be used for transportation improvements over a short period of time. He emphasized that the infusion of funds created through bonding will be exhausted by 2010, at which time, without action to the contrary, the construction program will return to a level of approximately \$700 million.

The Commissioners commended the staff on the draft Executive Summary that will accompany the 2006 Report to the Joint Committee on Transportation Oversight and offered constructive revisions thereto.

Commissioner Michie expressed concern with the reduction of funding available for transportation that will be realized in 2010. He expressed the fear that construction of major corridor projects would be seriously curtailed if transportation partners and members of the General Assembly do not begin soon to discuss transportation funding. He said that efforts to increase funding for transportation must be driven by the transportation users, transportation

partners, regional planning commissions, and metropolitan planning organizations. He emphasized that economic development is dependent upon transportation facilities.

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TRAFFIC DATA COLLECTION SERVICES

On behalf of the Director, Ed Hassinger, District 6 Engineer, recommended approval of a contract with Traffic.com, Inc., at an anticipated cost of \$1,670,578 to provide approximately 26 traffic detector stations and annual operations and maintenance costs for up to ten years. Services provided through this contract will provide traffic data needed to operate and manage the freeway system in the St. Louis area. Mr. Hassinger noted that of the six proposals received to provide this service, four were deemed responsive. An evaluation team evaluated the four proposals based on five evaluation areas: experience, expertise and reliability; proposed method of performance; cost, fees, and expenses; recommendations from references; and overall clarity and quality of the proposal.

Via approval of the consent agenda, the Commission unanimously approved the recommendation, and authorized the Director, Chief Engineer, Chief Financial Officer, or Deputy Administrative Officer to execute the contract documents.

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--- REPORTS ---

The Commission received the following written reports.

FINANCIAL REPORT – FISCAL YEAR 2007

Deborah Rickard, Controller, presented the Financial Report for the fiscal year to date ended August 31, 2006, with budget and prior year comparisons.

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MEDICAL AND LIFE INSURANCE PLAN SEMI-ANNUAL REPORT

Mr. Jeff Padgett, Manager of Employee Benefits and Chairman, Medical and Life Insurance Plan Board of Trustees, presented reports on the financial status of the Medical and Life Insurance Plan covering the period from January through June 2006. The report indicated that although the number of claims had increased rather dramatically over the past two years compared to the previous three years, which was primarily attributable to increased utilization, the funding plan in place continues to be successful. With the current positive net assets and contribution structure, Mr. Padgett noted that Commission's contribution increases effective January 2007, were minimized. The Medical and Life Insurance Plan Board of Trustees continues to closely monitor increases in utilization and trends.

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DESIGN/BRIDGE ENGINEERING CONSULTANTS

Dave Nichols, Director of Program Delivery, presented the Design/Bridge Engineering Consultants Report as of August 31, 2006. The report reflects current active consultant work on projects contained in the State Transportation Improvement Program.

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By unanimous consensus of all members present, the meeting of the Commission
adjourned.

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